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Before the
Federal Communications Commission
Washington, D.C. 20554

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

In the Matter of) ET Docket No. 92-9
)
Redevelopment of Spectrum to)
Encourage Innovation in the)
Use of New Telecommunications)
Technologies)

To: The Commission

COMMENTS OF BLUEGRASS CELLULAR, INC.

Bluegrass Cellular, Inc. ("Bluegrass"), by its attorney, respectfully submits these comments concerning the Notice of Proposed Rule Making ("Notice") regarding the Redevelopment of Spectrum to Encourage Innovation in the Use of New Telecommunications Technologies, ET Docket No. 92-9.

Bluegrass, acting on behalf of three cellular RSA licensees (Kentucky RSA #3 Cellular General Partnership, Kentucky RSA #4 Cellular General Partnership and Cumberland Cellular Partnership) is concerned with the Notice's proposed allocation of 220 MHz of spectrum between 1.85 GHz and 2.20 GHz. Specifically, Bluegrass is concerned that the proposed allocation of spectrum will result in significantly higher costs of operations for rural cellular carriers.

The allocation of this spectrum for primary use for new technologies will eliminate and/or place at risk the availability

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of the most cost-effective microwave technology available to rural cellular carriers. In many cases, these carriers have relied heavily on 2 GHz microwave paths in designing their cellular networks to minimize capital investment while optimizing network coverage. This network design places cell sites at distances twenty to thirty miles apart. Of the three microwave technologies currently available (2/6/11 GHz), only the 2 GHz technology has the capability to interconnect cells at distances over approximately 14 miles. The elimination or phasing out of 2 GHz fixed service, and the use of 6 GHz or 7 GHz technology in its place, would triple the cost of those connections.

The use of microwave technology by cellular carriers is of strategic importance. Although alternatives to microwave linkage of transmitter sites exist, they are more expensive and often cost-prohibitive. The inherent problems of copper or fiber circuits controlled by a third party carrier affect network quality and availability to our customers. Local Exchange Carriers and Inter-exchange Carriers do not always share the sense of urgency of the Cellular Carrier in resolving trouble circuits on a timely basis. The availability of cost-effective microwave technology provides the cellular carrier with an alternative to a more expensive non-responsive third party.

Most rural cellular carriers are in initial phases of system design and construction. The use of 2 GHz microwave has been planned as an integral and critical element of the provision of low cost network service. Numerous carriers are in the midst of applying for the use of 2 GHz microwave for initial networks and plans for additional licensing as the rural cellular network grows. Many of these carriers are not existing microwave licensees and under the proposed rules would be placed in a secondary status in the future. None of the proposals or alternatives in the Notice adequately address the needs of these carriers.^{1/}

We urge the Commission to preserve the primary status of 2 GHz fixed users. While in principle we favor the alternative in the Notice that would allow all currently licensed 2 GHz fixed users to continue to operate on a co-primary basis, we believe that, at a minimum, co-primary status should be maintained for all 2 GHz fixed use associated with existing or authorized communications systems, particularly rural cellular systems, irrespective of whether the microwave link itself is new or previously authorized.^{2/}

^{1/} In particular, we do not support the phased spectrum implementation approach proposed in the Notice, as it does not accommodate assurance of primary continued use by fixed users.

^{2/} We also support the Commission's proposal in the Notice to permit negotiations for the use of the spectrum between existing users and proponents of new technologies. This proposal would be particularly appropriate given the probability that fewer 2 GHz experiments and operations in emerging technologies are likely to
(continued...)

Recently, the Commission issued a Public Notice in which it appeared to take the foregoing position with respect to co-primary status for 2 GHz fixed use in conjunction with communications networks:

We also believe the conditional secondary status should not be applied in certain situations where additional links may be required to complete a communications network, or where new facilities and/or frequencies are operationally connected to a system licensed prior to January 16, 1992.^{3/}

This position is far more reasonable than initially proposed in the Notice, and it is critical that the Commission codify this policy in the Report and Order. The Commission should also consider, however, that the importance of 2 GHz microwave links will be no less for future rural cellular carriers, who will be receiving authorizations for unserved areas.^{4/}

We recognize that the Commission must find resources for emerging technologies. In this case, however, use of the 2 GHz spectrum for microwave links is critically important to rural

^{2/}(...continued)

occur in the geographic regions areas where these frequencies are most important to rural cellular operators.

^{3/} Two Gigahertz Fixed Microwave Licensing Policy, Mimeo 23115, released May 14, 1992.

^{4/} See Amendment of Part 22 of the Commission's Rules to Provide for Filing and Processing of Applications for Unserved Areas in the Cellular Service and to Modify other Cellular Rules, Second Report and Order in CC Docket No. 90-6 (released April 9, 1992), at para. 17.

cellular operations; relegation of this use to secondary status will jeopardize the Commission's objective of seamless cellular service throughout the United States. The Commission has received substantial requests, including requests from Congress, to protect existing and developing communications networks. We believe that, particularly in the geographic regions of concern to rural cellular carriers, alternatives exist including, as mentioned in the Notice, the potential availability of adjacent government spectrum for emerging technologies.

Based on the foregoing, Bluegrass urges the Commission to modify the Notice as set forth herein. We appreciate your consideration of these comments.

Respectfully submitted,

BLUEGRASS CELLULAR, INC.

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